

Old Age, Disability, Death

First laws: 1908 (old-age and disability pensions) and 1942 (widow's pension).
Current law: 1991.
Type of Program: Dual universal insurance and social assistance system.
Exchange rate: U.S.\$1.00 equals 1.23 Australian dollars (A\$).

Coverage

Residents.

Source of Funds

Insured person: None.

Employer: None.

Government: Entire cost from general revenues.

Qualifying Conditions

Old-age pension: Age 65 (men) or 60.5 (women), rising to 61 from July 1, 1997) and resident and physically present in country at application. (The pensionable age for women will be raised by six months every two years until it reaches 65 on July 1, 2013).

10 years of continuous residence (5 continuous years if total residence exceeds 10 years); means-tested, unless permanently blind.

Paid abroad if payable before leaving the country; may be reduced.

Disability pension: Age 16 to 65 (for men), 16 to 60 (for women). Minimum 20% level of impairment and an inability to work full time at full wages for the foreseeable future due primarily to a physical or mental impairment, or permanent blindness.

Resident and physically present in country at application.

If incapacity occurs prior to arrival in Australia, same minimum residence requirements as for old-age pension. If incapacity occurs in Australia, no minimum residence requirement. Means-tested, unless permanently blind.

Paid abroad under specific circumstances; may be reduced.

Wife pension (means-tested), paid when both disability pensioner and wife are over 21 (unless there are children).

Carer pension (means-tested): Claimant provides substantial care at home to a social security or veteran's income support recipient.

Survivor pension: Widows and widowers with dependent children entitled to sole pension under family allowances program.

Widows without children if age 50 on July 1, 1987, receive widow pensions. However, from March 20, 1997, there will be no new grants of widow pensions, although widow's allowances continue to be available.

Other widows without children, if widowed, separated or divorced after they turn 50, receive widow allowance. Must be resident and physically present in the country at application.

If surviving spouse resides in Australia when death occurs, no minimum residence requirement. Otherwise 5 years continuous residence immediately preceding application or 10 years continuous residence any time.

Paid abroad if payable before person leaves country; may be reduced.

Old-Age Benefits

Old age pension (means-tested, except if blind): Up to A\$173.20 a week for singles and A\$144.45 for each member of a couple.

Wife pension (means-tested): Up to A\$144.45 a week. Benefits for dependent children paid through family allowances scheme. (No new grants of wife pension from July 1, 1995)

Rental assistance (means-tested): Up to A\$37.30 per week, according to marital status and level of rent. Special rules apply to people who live in retirement villages. Rental assistance for those with dependent children is paid through family allowances scheme. Carer pension (means-tested): Up to A\$173.20 a week (A\$144.45 if spouse).

Remote area supplement: A\$8.75 a week (single) or A\$15 a week (couple), plus A\$3.50 per child.

Pharmaceutical allowance: A\$2.70 a week per family.

Telephone allowance: A\$56.00 a year for telephone subscribers.

Adjustment: Adjusted in March and September according to price index. The single rate of pension is maintained as percentage of average weekly earnings.

Permanent Disability Benefits

Disability pension (means-tested, except if blind) for all married pensioners and for pensioners 21 years and over, same as old-age pension.

For single people aged 18-20 years, up to A\$132.35 a week (living away from home) and A\$87.15 a week (living at home).

Single disability pensioners under age 21 may also be eligible for Youth Disability Supplement of A\$37.45 a week.

Parenting and partner allowances: see unemployment assistance, below.

Wife's pension, rental assistance, carer's pension: Same as under old-age pension (all means-tested).

Remote area supplement: Same as under old-age pension.

Adjustment: Disability pension, carer's pension, and wife's pension adjusted in March and September according to price index.

Survivor Benefits

Survivor pension (means-tested): Same as single old-age pension. No new grants of widow's pension as of March 20 1997. Widow's allowance continued to be paid.

Rental assistance: (Same as under old-age pension—not available to people under age 21 living with parents).

Child's payment through family allowances schemes (means-tested).

Rental assistance (means-tested): Same as under old-age pension.

Bereavement payment: On death of pensioner, 14 weeks' pension payable to surviving spouse, child (if deceased pensioner a single parent), or carer.

On death of single pensioner, 1 pension payment is credited to the estate.

Adjustment: Survivor pension adjusted in March and September according to price index.

Administrative Organization

Department of Social Security administers programs through 20 area, 216 regional and over 60 smaller offices.

Sickness and Maternity

First laws: 1944 (cash sickness benefits); 1947 (pharmaceutical benefits); and 1948 (national health program).

Current laws: 1991 (cash benefits); 1953 (medical and hospital benefits); 1973 and 1983 (universal medical and hospital insurance—Medicare).

Type of program: Dual social assistance (cash benefits) and universal (medical care) systems.

Coverage

Cash benefits: Gainfully employed persons with limited income, and others meeting qualifying conditions.

Medical benefits: Residents.

Source of Funds

Insured person: Medical benefits, 1.25% levy on income above A\$21,366 for couples and sole parents (increased by A\$2,100 per child), or A\$12,688 for single persons without dependents. Exemption from levy for veterans, war widows, and Armed Forces personnel with dependents (half levy if without dependents).

Employer: none

Government: Whole cost of cash benefits and assistance towards a wide-range of drugs under Pharmaceutical Benefits Scheme; rebates for medical, and hospital benefits. Funding is provided for residential and community aged care.

Commonwealth General Revenue Grants and Medicare Grants to States and Territories for public hospital operating costs. Meets approximately 40% to 50% of funding of medical insurance scheme.

Qualifying Conditions

Sickness allowance (SA) (means-tested): Age 16 to pension age. Resident in country. Insured can't work because of sickness or injury. Must have a job to return to or intend resuming full-time studies. Otherwise may receive unemployment assistance.

Medical benefits: Residents.

Pharmaceutical benefit: Residents.

Sickness and Maternity Benefits

Sickness allowance (means-tested): Up to A\$145.00 a week if partnered with dependent children. A\$160.10 if single, aged 21 or over and no dependents, A\$232.10 if age 18-20 and no dependents and living away from home, or up to A\$119.65 if single and under age 18 with no dependents and away from home; and A\$173.20 if single with dependents.

Benefits for children paid under family allowances scheme Payable after 7-day waiting period for as long as qualified.

Rental assistance (means-tested): Same as under old age pension.

Remote area supplement: Same as under old-age pension.

Adjustment: Sickness benefit for 16-20 year olds without dependents adjusted in January according to price index.

Other benefits adjusted in March and September according to price index.

Workers' Medical Benefits

Medical benefits: Patient pays 15% of schedule fee for outpatient ambulatory care or A\$28.10 whichever is less (indexed annually for price changes).

Pharmaceutical benefit: Most prescribed medicines, with a fee of up to A\$16.20 per prescription. Pensioners, beneficiaries, and low income persons pay A\$2.60 fee per prescription.

Government pays pharmacists.

Hospital benefits: Free standard ward accommodations and treatment by staff doctors in public hospitals.

Private benefit organizations pay for private hospital stay, or public hospital charge for those who choose treatment by their own physician in public hospitals.

Dependents' Medical Benefits

Medical benefits for dependents: Same medical and hospital benefits as head of family. Family membership in private benefit organization also covers dependents.

Administrative Organization

Sickness benefits: Department of Social Security, administration of program through 20 area and 216 regional offices.

Medical and health benefits: Administered by the Health Insurance Commission, with Commonwealth Department of Human Services and Health setting policy.

Work Injury

First laws: 6 States, from 1902 (Western Australia) to 1918 (Tasmania); Seamen's Compensation 1911; Commonwealth Government employees, 1912; Northern Territory, 1931; Australian Capital Territory, 1946.

Current laws: Queensland, 1990; New South Wales, 1926 and 1987; Tasmania, 1927 and 1988; Australian Capital Territory, 1951; South Australia 1971 and 1986; Commonwealth Government employees, 1981; Western Australia, 1982; Victoria, 1958, 1985 and 1993; and Northern Territory, 1986.

Type of program: Compulsory insurance with public or private carrier.

Coverage

Employed persons; self-employed usually not covered.

Source of Funds

Insured person: None.

Employer: Whole cost, through insurance premiums varying with risk (some employers permitted to act as self-insurers).

Government: None, except as a self-insurer for own employees.

Qualifying Conditions

Work-injury benefits: No minimum qualifying period.

Temporary Disability Benefits

Temporary disability benefit: Varies according to States/Territories. Generally, at least 95% of earnings for a minimum of 26 weeks. May be payable for extended period at

reduced levels. Dependents' supplements: Where flat-rate benefits are paid, A\$62.99-A\$79.34 for spouse (indexed); A\$29.49-A\$70.80 for each child (indexed).

Maximum benefit: A limit generally applies. It can be in the form of a cap on the weekly benefit payment or an over-all lump sum value. In Queensland, A\$71,310 (includes weekly benefits); South Australia, A\$92,300; Tasmania, A\$100,076; Western Australia, A\$100,729.

New South Wales, no maximum; Australian Capital Territory A\$87,364; No waiting period.

Permanent Disability Benefits

Permanent disability pension: Total disability, same as temporary disability benefit.

Dependents' supplements: Same as for temporary disability benefit. Partial disability pension: Amount of earnings lost, subject to limit; lump sum payments for specific injuries.

Lump sum payments for specified permanent injuries up to A\$159,700 and for pain and suffering up to A\$65,700.

Workers' Medical Benefits

Medical benefits: Reasonable cost of medical care, hospitalization, transportation, nursing care, rehabilitation, etc.

In New South Wales, A\$50,000 maximum for medical, A\$59,000 for hospital treatment; A\$10,000 for ambulance; further amounts if ordered by court.

In Western Australia, subject to prescribed monetary limits, dispute resolution body may extend amounts.

Survivor Benefits

Survivor benefit: Lump sum of A\$59,980-A\$225,800 (indexed) plus lump sum of A\$1,000-A\$22,710 for each child (4 States), or weekly payment of A\$24.00-A\$70.80 per child (indexed).

Funeral grant: Reasonable cost of funeral (Queensland, Victoria, Tasmania). Remaining jurisdictions, A\$1,890-A\$4,000.

Administrative Organization

Workmen's Compensation Board or Commission administers claims in all States (except Australian Capital Territory, Northern Territory, and Western Australia, which have multi-insurer systems with claims administered by insurers) and for Commonwealth employees. Some States still allow common law actions for negligence against an employer.

Employer: None.

Government: Entire cost from general revenues.

Qualifying Conditions

Newstart allowance: Means-tested. Age 18 to pensionable age 65 (men), 60.5 (women). Pensionable age for women will increase to 61 years on July 1, 1997.

Permanent resident and present in country during period of payment. Must be unemployed, capable of undertaking, and actively seeking work.

Unemployment not due to voluntary act, labor dispute, or refusal of suitable offer (benefit may be postponed 2 or more weeks for offenses committed within last 3 year period).

Youth training allowance (YTA): Unemployed young people 16 years to 18 years of age (15 and over if school-leaving age) undertaking approved education, training, job search or other employment preparation activity.

Means-tested according to both parental and personal income and assets test.

Mature Age Allowance (MAA): Means-tested payment for older unemployed people who are at least 60 years of age but less than pensionable age. Recipients of MAA must have been in receipt of Newstart Allowance for the preceding 9 months or a non-activity tested payment in the 13 weeks prior to claim and have no recent workforce experience. Recipients are not required to look for work.

Partner allowance (PA): Means-tested payment made to a member of a couple (born on or before 1 July 1955) whose partner receives a major social security pension or allowance. A person must claim PA in their own right, although eligibility does not involve any labor market obligations. Must have no recent workforce experience, no dependent children under the age of 16 years, and must not have received unemployment payments or sickness allowance in the 13 weeks prior to claim. Recipients are not required to look for work.

Parenting Allowance (PgA): Means-tested payment to a member of a couple who has a dependent child or children under the age of 16 years. Recipients are not required to look for work.

Widow Allowance (WA): Means-tested payment to women aged 50 years or over who are not a member of a couple, who have been widowed, divorced or separated (including separated de facto) since turning 50 and who have no recent workforce experience. Recipients are not required to look for work.

Unemployment Benefits

Newstart Allowance (means-tested): Up to A\$144.45 per week for each member of a couple over 21 years. A\$160.10 per week if single, aged 21 and no dependents, A\$132.35 if age 18-20, living away from parents and no dependents; or up to A\$72.50 if single, living with parents and under 18 years with no dependents; and A\$173.20 if single, under 18 years with dependents.

Benefits for children paid under Family Payments scheme.

Payable after 7-day waiting period for as long as qualified.

Rent assistance (means-tested): Same as for old-age pension. Single recipients under 25 years living with parents are not eligible for rent assistance.

Unemployment

First law: 1944.

Current law: 1991.

Type of program: Unemployment assistance.

Coverage

Gainfully employed persons (also payable to those not previously gainfully employed who meet qualifying conditions).

Source of Funds

Insured person: None.

Remote area supplement: Same as under old-age pension.
Adjustment: Newstart allowance adjusted in March and September according to Consumer Price Index (except for single persons under age 21 without dependents).

Administrative Organization

Department of Social Security, administration of program through a network of area and regional offices and teleservice centers. From July 1997, administration of program will be undertaken by a public sector service delivery agency.

Family Allowances

First law: 1941 (family allowances).
Current laws: 1992 (family payment), 1991 (orphan's pension), 1991 (child disability allowance), 1991 (sole parent pension), 1994 (parenting allowance), 1995 (birth grant), 1996 (family tax payment).
Type of program: Dual universal and social assistance system.

Coverage

Residents with 1 or more children.

Source of Funds

Insured person: None.

Employer: None.

Government: Entire cost from general revenues.

Qualifying Conditions

Family allowances: Minimum family payment: Child must be under age 16 (18 if student). Parent or guardian as well as child (with exceptions) must be residents.

More than minimum family payment: Persons with dependent children who are in receipt of a pension, benefit or allowance or in low to moderately paid work.

Guardian allowance: Sole parents who are eligible for more than minimum family payment.

Orphan pension: Both parents dead (or one dead, the other in a hospital or institution indefinitely, in prison for at least 10 years, or whose whereabouts unknown) or refugee children under certain circumstances.

Child disability allowance: Disabled child who requires substantially more care and attention than a child of the same age who is not disabled. Must be cared for at home.

Parenting allowance: Partners of income support, other low-income recipients or one partner of a couple who has low personal income. Child must be under 16.

Sole parent pension: Male or female single parent of child under age 16 or in receipt of child disability allowance. No minimum residence requirement if claimant becomes single parent in Australia, otherwise minimum residence requirement.

Birth grant: Persons with newborn child who are eligible for family payment. Includes adopted babies, stillborn babies and babies who died shortly after birth.

Family tax payment: Part A-families with dependent children under 16 (18 if student) who are eligible for more than minimum family payment; Part B-families, including sole parents, with a child under

age 5 and one main income partner (one partner of a couple with income less than basic parenting allowance ceiling).

Family Allowance Benefits

Family allowances: Minimum family payment (means-tested at high level): A\$23.40 a fortnight per child; A\$7.70 supplement for 4th and each subsequent child. A\$31.10 a fortnight for children in institutions.

More than minimum family payment (means-tested): Up to A\$72.60 a fortnight per child under age 13; A\$101.50 a fortnight per child, 13-15; A\$36.60 a fortnight per student ages 16-18. Rental assistance up to A\$98.40 a fortnight depending on number of children and level of rent.

Guardian allowance: A\$36.60 a fortnight (does not vary with number of children).

Orphan pension: A\$37.50 a fortnight.

Child disability allowance (not income-tested): A\$74.90 a fortnight per child.

Parenting allowance: Maximum rate A\$288.90 (individual entitlement): basic payment (personal income test only) A\$64.80 a fortnight plus additional payment (means-tested on income of couple) up to A\$224.10 a fortnight. Recipients of additional parenting allowance are automatically eligible for more than minimum family payment and rental assistance.

Sole parent pension: Basic pension remote area supplement, pharmaceutical allowance and telephone allowance, same as under old-age pension. Also eligible for minimum and more than minimum family payment, guardian allowance and rental assistance.

Birth grant: One-off payment of A\$866.70. Paid for each child in multiple birth.

Family tax payment: Part A-A\$7.70 a fortnight per child; Part B-A\$19.24 a fortnight per family.

Adjustment: Sole parent pension, parenting allowance, birth grant and rental assistance adjusted in March and September according to price index. Minimum family payment, and more than minimum family payment, orphan pension, child disability allowance and guardian's allowance adjusted in January according to price index.

Administrative Organization

Department of Social Security, administration of program through 20 area, 216 regional, over 60 smaller offices and 14 trial Family Service Centers.